

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 1632-01
Bill No.: HB 511
Subject: Secretary of State: Elections
Type: Original
Date: February 25, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
General Revenue	(\$37,009)	(\$40,811)	(\$41,833)
Total Estimated Net Effect on General Revenue Fund	(\$37,009)	(\$40,811)	(\$41,833)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Highway	(\$16,800)	\$0	\$0
Total Estimated Net Effect on Other State Funds	(\$16,800)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government *	\$0	(Unknown)	\$0

* Cost on a statewide basis would be expected to exceed \$100,000 annually.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of Secretary of State** assume the state by making a 5% match from the General Revenue Fund would receive approximately \$9,000,000 to up-grade the state's election system, and provide for a centralized data-base system.

Oversight assumes the 5% matching money would come from the General Revenue Fund and would be greater than \$100,000 annually. According to Secretary of State officials, the 5% matching monies are in current budget request; therefore, Oversight will not show them as a cost in this fiscal note.

Officials of the **Office of State Treasurer** assume that with the creation of two new funds and with the wording in this proposal, their office would require 1 FTE, an Accounting Analyst I, to monitor disbursements. Officials estimate personal service cost for 10 months of FY 2004 at \$23,442; and \$28,833 in FY 2005; and \$29,554 in FY 2006. Officials estimate equipment cost in FY 2004 at \$4,080; and in FY 2005 at \$309; and \$318 in FY 2006. Total cost estimated including fringe benefits are \$37,009 in FY 2004; \$40,811 in FY 2005; and \$41,833 in FY 2006.

Officials of the **Department of Revenue- Division of Motor Vehicles** stated this proposal
ASSUMPTION (continued)

requires changes to the voter registration process that is incorporated in the driver license application system. Officials assume programming modifications would be made to the over-the-counter driver licensing system. Officials estimate a one-time cost for contracted programming at \$8,000, internal programming at \$4,000, and internal testing at \$4,800. Total estimated cost to the Highway Fund in FY 2004 is \$16,800.

Oversight assume there would be no cost to the Departments of Corrections and Health and Senior Services. The Department of Corrections would have to maintain a list of felons leaving the prison system, and the Department of Health and Senior Services-Division of Vital Statistics would make timely information available to election authorities concerning deaths..

Oversight assumes no cost to the Departments of Corrections and Health and Senior Services. When Oversight receives additional information this fiscal note will be updated.

Officials of the **Kansas City Board of Election Commission** stated that this proposal would increase the cost of elections in their jurisdiction by approximately 15%. Officials stated that a November (even year) election runs about \$350,000. 15% of \$350,000 would be \$52,500. Officials stated that the increase would not be one-time but ongoing.

Officials of the **Boone County Clerk's office** stated that the provisions of Section 115.163 would require additional mailings every other year at a cost of \$4,000 to \$5,000, and Section 116.025 would increase the size of ballot issues by 30%. Officials stated that this would have added \$33,000 to the cost of the election in November 2002, 2000, 1998, etc.

Officials of the **Greene County Clerk's** office assume no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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GENERAL REVENUE FUND

Cost to State Treasurer Office

Personal Service (1.0 FTE)	(\$23,442)	(\$28,833)	(\$29,554)
Fringe Benefits	(\$9,487)	(\$11,669)	(\$11,961)
Equipment	(\$4,080)	(\$309)	(\$318)
Expense	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total</u> cost to State Treasurer	<u>(\$37,009)</u>	<u>(\$40,811)</u>	<u>(\$41,833)</u>

ESTIMATED NET EFFECT TO GENERAL REVENUE FUND FEDERAL FUNDS	<u>(\$37,009)</u>	<u>(\$40,811)</u>	<u>(\$41,833)</u>
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<u>Income</u> to Secretary of State from Federal Match	\$9,000,000	Unknown	Unknown
<u>Cost</u> to Secretary of State providing election services	(\$9,000,000)	(Unknown)	(Unknown)
<u>Total</u> effect to Secretary of State	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

HIGHWAY FUND

<u>Cost</u> to Department of Revenue Programming and testing	<u>(\$16,800)</u>	<u>\$0</u>	<u>\$0</u>
<u>Total</u> cost to Department of Revenue	<u>(\$16,800)</u>	<u>\$0</u>	<u>\$0</u>

<u>ESTIMATED NET EFFECT TO HIGHWAY FUND</u>	<u>(\$16,800)</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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<u>Cost</u> to Local Election Authorities for various provisions, mailings, ballots *	<u>\$0</u>	<u>(Unknown)</u>	<u>\$0</u>
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*** Cost on a statewide basis is expected to exceed \$100,000 in election years**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This bill revises the election laws, predominately to facilitate compliance with the federal Help America Vote Act of 2002 (HAVA). In its main provisions, the bill:

(1) Requires the Governor to appoint election commissioners who are not of the same political party as the Governor from a list submitted by the state committee of that party and authorizes the Governor to appoint additional nonvoting representatives to the boards of election commissioners
DESCRIPTION (continued)

(Section 115.027, RSMo);

(2) Specifies that federal funds may be used also for loan programs to the local election authorities and authorizes the Secretary of State to allow, rather than require, local election authorities to match the federal funds (Sections 115.074, 115.076, 115.098, and 115.801);

(3) Establishes a fund within the state treasury for grants to be used for election administration improvements and establishes a revolving loan fund to be used for improving the administration of elections through loans. The bill also clarifies that the money deposited in the Elections Administration Improvements Fund may be transferred to the loan fund (Section 115.078);

(4) Establishes a statewide pool for election judges and requires election authorities, before appointing judges from another jurisdiction, to obtain written consent from the election authority of the jurisdiction where the prospective judges are registered to vote. In addition, employees of the state and boards are allowed to serve as election judges (Section 115.085);

(5) Clarifies that challengers and watchers must be registered voters from the jurisdiction of the election authority for which the challenger or watcher is designated (Sections 115.105 and 115.107);

(6) Prohibits a court from ordering an issue or candidate placed on the ballot less than six weeks prior to an election, except as otherwise authorized by law (Section 115.125);

(7) Includes technical changes from last year's bill (Sections 115.133, 115.135, and 115.277);

(8) Adds information to the registration form as required by Section 303(b)(4) of HAVA (Section 115.155);

(9) Requires election authorities to forward to the Secretary of State registration and other information in a manner that complies with HAVA (Section 115.157);

(10) Establishes the Missouri Voter Registration System to comply with Section 303 of HAVA. The bill also includes voter registration verification provisions required by Section 303 of HAVA, clarifies the meaning of "commercial purposes," and specifies that local election authorities must forward data in accordance with the requirements of HAVA (Section 115.158);

(11) Adds provisions concerning identification requirements and fail-safe voting for mail-in registrants as required by Section 303 of HAVA (Section 115.159);

(12) Specifies when an election authority may send a voter identification card to a post office box (Section 115.163);

(13) Defines "overseas voter" (Section 115.275);

(14) Makes changes relating to uniformed and overseas citizens as required by Sections 703, 704, 705, and 707 of HAVA (Section 115.279);

(15) Allows election authorities to deliver absentee ballots not earlier than 10 weeks before an election. Current law allows the ballots to be delivered not earlier than six weeks (Section

115.284);

(16) Clarifies language regarding confined voters, requires a team to deliver absentee ballots to confined voters, and changes the color of a stamp on the ballot envelope (Section 115.287);

DESCRIPTION (continued)

(17) Specifies that a special write-in absentee ballot may be requested for special or primary federal elections in addition to general elections (Section 115.292);

(18) Adds language concerning voter education provisions as required by Section 302(b) of HAVA (Section 115.417);

(19) Clarifies that a provisional ballot cast at the wrong polling place will not be counted as authorized by Section 302(a)(4) of HAVA, requires the Secretary of State to ensure that a toll-free access system for provisional voters is established, addresses the handling of ballots for voters who vote after the polls close, which is required by Section 302(c) of HAVA (Section 115.430);

(20) Specifies the correct month for the presidential primary (Section 115.761);

(21) Adds new language intended to facilitate fair ballot language on statewide measures (Section 116.025); and

(22) Designates the Secretary of State as the chief election official responsible for the administration and coordination of state responsibilities under HAVA; authorizes the Secretary of State to appoint commission members, develop and submit plans, set voting systems standards and compliance deadlines, and any other activities reasonably necessary to comply with HAVA; requires the Secretary of State to establish state-based administrative complaint procedures to remedy grievances under HAVA; and authorizes the Secretary of State to promulgate rules to effectuate the provisions of this section (Section 1).

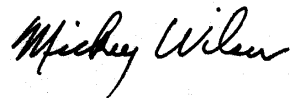
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of State Treasurer
Department of Revenue
Office of State Treasurer
Kansas City Board of Election Commission
Boone County Clerk
Greene County Clerk

NOT RESPONDING

The County Clerks of : Callaway, Cass, Johnson, Warren, St. Charles, Franklin, Jefferson, Marion, and the St. Louis County Board of Election Commission, and Platte County Board of Election Commission.

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 25, 2003